

REMARKS

Claims 1-23 are pending in the application. No claims have been amended, canceled or added. Claims 1-23 remain in the application.

Claims 1-23 are rejected under 35 U.S.C. §102(b) as being anticipated by Sandretto (U.S. Patent 5,812,988).

Claims 1, 18, 19, 20 and 23 are the independent claims.

Claim 1 is directed to a method with the steps of receiving from a data provider a net asset value for a fund owned by a customer and comparing the net asset value to one or more historical net asset values for the customer to obtain a variance that characterizes a difference between the net asset value and the one or more historical net asset values. When the variance is within a tolerance for the net asset value, the net asset value is stored in a database. When the variance is not within the tolerance for the net asset value, the method performs the steps of: (i) presenting a plurality of preset explanations for the variance to the data provider, (ii) requiring the data provider to select one of the plurality of preset explanations for the variance; and (iii) storing the net asset value and the one of the plurality of preset explanations in the database.

As stated in 37 C.F.R. §1.104(c)(2) (reproduced in MPEP §706):

"In rejecting claims for want of novelty or for obviousness, the examiner must cite the best references at his or her command. When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified."

Sandretto discloses a method for estimating, *inter alia*, cash flows, simulated returns, risk measures, and present values of assets. The Office Action cites in particular col. 2, lines 44-59; col.

8, lines 52-67 and col. 9, lines 1-20; and all of columns 10-38, which include a portion of the Summary, the description of the Figures and substantially the entire Detailed Description.

In cited col. 2, lines 44-59, Sandretto describes, *inter alia*, a process for projecting future earnings or future cash flows. As stated in col. 2, lines 53-59: "The cash flow/earnings valuation process consists of three separate and distinct parts: (1) estimate an asset's future earnings, cash flows, or earnings and cash flows; (2) estimate the discount rate (statistical methods and experience-based estimates are commonly used); and (3) discount the estimated future earnings or cash flows at the discount rate.

Sandretto describes in col. 8, lines 52-59, details of a first embodiment of "a method and apparatus to estimate an asset's risk and NPV that, instead of using prior-period returns to estimate risk: (1) estimates an asset's operating, financing and accounting characteristics, (2) estimates general and sector economic relations, and (3) estimates certain current economic conditions, such as interest rates, and to create a portfolio based on the estimated asset risk and NPV."

In col. 8, lines 60, to col. 9, line 20, Sandretto discloses another embodiment for "a method and apparatus for creating a portfolio by: (1) estimating an initial set of cash flows for each asset in a set of two or more assets using known or conventional methods; (2) generate additional estimated cash flows based upon different estimates for one or more economic variables; (3) adjust the original set of cash flows and each additional set of cash flows for expected inflation; (4) determine an initial input risk measure for each asset based on a risk-return type asset pricing model; (5) determine an initial discount rate for each asset using the initial input risk measure for each asset and using different economic variables that relate to each set of cash flows (for example, the risk-free rate and the market risk premium which are typically different for each set of cash flows); (6) discount the inflation-adjusted cash flows at the discount rate to determine a present value for each set of cash flows; (7) use the present values to determine simulated returns for each asset; (8) use the simulated returns for each asset to determine at least one simulated market index return; (9) regress simulated asset returns against simulated market returns or else use division to determine an output risk measure for each asset; (10) use the resulting output risk measure for each asset to

estimate a new input risk measure and; (11) repeats steps 1 through 10 (or 4 through 10 in some implementations) in an iterative process until, for each asset, the output risk measure approximates to within desired accuracy the input risk measure used to determine the most recently iterated discount rate."

Nowhere, in particular not in col. 2, lines 44-59; col. 8, lines 52-67 and col. 9, lines 1-20, does Sandretto teach or suggest at least:

"when the variance is not within the tolerance for the net asset value, the method performs the steps of: (i) presenting a plurality of preset explanations for the variance to the data provider, (ii) requiring the data provider to select one of the plurality of preset explanations for the variance; and (iii) storing the net asset value and the one of the plurality of preset explanations in the database,"

as recited in the independent claims 1, 18, 19, 20 and 23.

The examiner also referred Applicants to the section in columns 10-38. Applicants have reviewed this section, but were unable to relate the subject matter disclosed therein to the elements and features of the independent claims in the instant application. In addition, the Office Action lacks the required specificity and therefore does not comply with 37 C.F.R. §1.104(c)(2).

Applicants therefore respectfully request that the Examiner withdraw this rejection.

Since the Sandretto reference does not teach each and every element and feature recited in claims 1, 18, 19, 20 and 23, as required under 35 U.S.C. §102, these claims are not anticipated by Sandretto and are therefore patentable. The dependent claims 2-17 and 21-22 are also patentable for at least the reasons that claims 1 and 20 are patentable.

In view of the above arguments, Applicants believe the pending application is in condition for allowance.

Application No. 09/994,975
Amendment dated December 4, 2006
Reply to Office Action of September 13, 2006

Docket No.: SSBI-P01-003

Applicants believe no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 18-1945, under Order No. SSBI-P01-003 from which the undersigned is authorized to draw.

Dated: December 4, 2006

Respectfully submitted,

By 

Wolfgang E. Stutius

Registration No.: 40,256

FISH & NEAVE IP GROUP, ROPES & GRAY
LLP

One International Place
Boston, Massachusetts 02110-2624
(617) 951-7000 (Voice)
(617) 951-7050 (Fax)
Attorneys/Agents For Applicant